

THE HONORABLE JOHN C. COUGHENOUR

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA, *et al.*,

Plaintiffs,

v.

ELECTRON HYDRO LLC,

Defendant.

CASE NO. C20-1746-JCC

ORDER

This matter comes before the Court on the parties' stipulated protective order (Dkt. No. 21). The parties seek entry of the following order:

1. PURPOSES AND LIMITATIONS

Discovery in this action is likely to involve production of confidential, proprietary, or private information for which special protection may be warranted. Accordingly, the parties hereby stipulate to and petition the court to enter the following Stipulated Protective Order. The parties acknowledge that this agreement is consistent with LCR 26(c). It does not confer blanket protection on all disclosures or responses to discovery, the protection it affords from public disclosure and use extends only to the limited information or items that are entitled to confidential treatment under the applicable legal principles, and it does not presumptively entitle parties to file confidential information under seal.

1 2. “CONFIDENTIAL” MATERIAL

2 “Discovery material” means documents, ESI, information, or other material produced or
3 adduced in the course of discovery in this litigation, including initial disclosures; responses to
4 subpoenas, interrogatories, and requests for production; and deposition testimony and exhibits.

5 “Confidential” material shall include the following discovery material:

- 6 a) any information that is protected or restricted from disclosure by state or federal statute
7 or regulation;
- 8 b) any document, information or other material that is a trade secret or other confidential
9 research, development, or commercial information, as such terms are used in the
10 Federal Rules of Civil Procedure 26(c)(1)(G), that has been designated as subject to
11 this Protective Order by the producing party;
- 12 c) non-public proprietary or financial information obtained from a private entity that has
13 been maintained as confidential;
- 14 d) medical information concerning any individual;
- 15 e) personally identifiable information, including without limitation, social security
16 numbers and financial information associated with individuals;
- 17 f) income tax returns (including attached schedules and forms), W-2 forms, and 1099
18 forms; or
- 19 g) personnel or employment records of an individual.

20 3. SCOPE

21 The protections conferred by this agreement cover not only confidential material (as
22 defined above), but also (1) any information copied or extracted from confidential material; (2) all
23 copies, excerpts, summaries, or compilations of confidential material; and (3) any testimony,
24 conversations, or presentations by parties or their counsel that might reveal confidential material.

25 However, the protections conferred by this agreement do not cover information that is in
26 the public domain or becomes part of the public domain through trial or otherwise.

1 4. ACCESS TO AND USE OF CONFIDENTIAL MATERIAL

2 4.1 Basic Principles. A receiving party may use confidential material that is disclosed
3 or produced by another party or by a non-party in connection with this case only for prosecuting,
4 defending, or attempting to settle this litigation. Confidential material may be disclosed only to the
5 categories of persons and under the conditions described in this agreement. Confidential material
6 must be stored and maintained by a receiving party at a location and in a secure manner that ensures
7 that access is limited to the persons authorized under this agreement. The United States may use
8 confidential information for law enforcement purposes and may, notwithstanding any other
9 provision of this agreement, disclose confidential information to law enforcement agencies.

10 4.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless otherwise ordered
11 by the court or permitted in writing by the designating party, a receiving party may disclose any
12 confidential material only to:

13 (a) the receiving party's counsel of record in this action, as well as legal support
14 staff of counsel to whom it is reasonably necessary to disclose the information for this litigation;

15 (b) the officers, directors, and employees (including in house counsel) of the
16 receiving party to whom disclosure is reasonably necessary for this litigation, unless the parties
17 agree that a particular document or material produced is for Attorney's Eyes Only and is so
18 designated;

19 (c) experts and consultants to whom disclosure is reasonably necessary for this
20 litigation and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);

21 (d) the court, court personnel, and court reporters and their staff;

22 (e) copy or imaging services retained by counsel to assist in the duplication of
23 confidential material, provided that counsel for the party retaining the copy or imaging service
24 instructs the service not to disclose any confidential material to third parties and to immediately
25 return all originals and copies of any confidential material;

1 (f) during their depositions, witnesses in the action to whom disclosure is
2 reasonably necessary and who have signed the “Acknowledgment and Agreement to Be Bound”
3 (Exhibit A), unless otherwise agreed by the designating party or ordered by the court. Pages of
4 transcribed deposition testimony or exhibits to depositions that reveal confidential material must
5 be separately bound by the court reporter and may not be disclosed to anyone except as permitted
6 under this agreement;

7 (g) the author or recipient of a document containing the information or a
8 custodian or other person who otherwise possessed or knew the information.

9 4.3 Filing Confidential Material. Before filing confidential material or discussing or
10 referencing such material in court filings, the filing party shall confer with the designating party,
11 in accordance with Local Civil Rule 5(g)(3)(A), to determine whether the designating party will
12 remove the confidential designation, whether the document can be redacted, or whether a motion
13 to seal or stipulation and proposed order is warranted. During the meet and confer process, the
14 designating party must identify the basis for sealing the specific confidential information at issue,
15 and the filing party shall include this basis in its motion to seal, along with any objection to sealing
16 the information at issue. Local Civil Rule 5(g) sets forth the procedures that must be followed and
17 the standards that will be applied when a party seeks permission from the court to file material
18 under seal. A party who seeks to maintain the confidentiality of its information must satisfy the
19 requirements of Local Civil Rule 5(g)(3)(B), even if it is not the party filing the motion to seal.
20 Failure to satisfy this requirement will result in the motion to seal being denied, in accordance with
21 the strong presumption of public access to the Court’s files.

22 5. DESIGNATING PROTECTED MATERIAL

23 5.1 Exercise of Restraint and Care in Designating Material for Protection. Each party
24 or non-party that designates information or items for protection under this agreement must take
25 care to limit any such designation to specific material that qualifies under the appropriate
26 standards. A party may designate discovery materials as subject to this Protective Order based on

1 search terms, filtering, or other method or computer technology employed to identify information
2 that might be entitled to confidential treatment. The designating party must designate for protection
3 only those parts of material, documents, items, or oral or written communications that qualify, so
4 that other portions of the material, documents, items, or communications for which protection is
5 not warranted are not swept unjustifiably within the ambit of this agreement.

6 Mass, indiscriminate, or routinized designations are prohibited. Designations that are
7 shown to be clearly unjustified or that have been made for an improper purpose (*e.g.*, to
8 unnecessarily encumber or delay the case development process or to impose unnecessary expenses
9 and burdens on other parties) expose the designating party to sanctions.

10 If it comes to a designating party's attention that information or items that it designated for
11 protection do not qualify for protection, the designating party must promptly notify all other parties
12 that it is withdrawing the mistaken designation.

13 5.2 Manner and Timing of Designations. Except as otherwise provided in this
14 agreement (see, *e.g.*, second paragraph of section 5.2(a) below), or as otherwise stipulated or
15 ordered, disclosure or discovery material that qualifies for protection under this agreement must
16 be clearly so designated before or when the material is disclosed or produced.

17 (a) Information in documentary form: (*e.g.*, paper or electronic documents and
18 deposition exhibits, but excluding transcripts of depositions or other pretrial or trial proceedings),
19 the designating party must affix the word "CONFIDENTIAL" to each page that contains
20 confidential material. If only a portion or portions of the material on a page qualifies for protection,
21 the producing party also must clearly identify the protected portion(s) (*e.g.*, by making appropriate
22 markings in the margins).

23 (b) Testimony given in deposition or in other pretrial proceedings: the parties
24 and any participating non-parties must identify on the record, during the deposition or other pretrial
25 proceeding, all protected testimony, without prejudice to their right to so designate other testimony
26 after reviewing the transcript. Any party or non-party may, within fifteen days after receiving the

1 transcript of the deposition or other pretrial proceeding, designate portions of the transcript, or
2 exhibits thereto, as confidential. If a party or non-party desires to protect confidential information
3 at trial, the issue should be addressed during the pre-trial conference.

4 (c) Other tangible items: the producing party must affix in a prominent place
5 on the exterior of the container or containers in which the information or item is stored the word
6 “CONFIDENTIAL.” If only a portion or portions of the information or item warrant protection,
7 the producing party, to the extent practicable, shall identify the protected portion(s).

8 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure to
9 designate qualified information or items does not, standing alone, waive the designating party’s
10 right to secure protection under this agreement for such material. Upon timely correction of a
11 designation, the receiving party must make reasonable efforts to ensure that the material is treated
12 in accordance with the provisions of this agreement.

13 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

14 6.1 Timing of Challenges. Any party or non-party may challenge a designation of
15 confidentiality at any time. Unless a prompt challenge to a designating party’s confidentiality
16 designation is necessary to avoid foreseeable, substantial unfairness, unnecessary economic
17 burdens, or a significant disruption or delay of the litigation, a party does not waive its right to
18 challenge a confidentiality designation by electing not to mount a challenge promptly after the
19 original designation is disclosed.

20 6.2 Meet and Confer. The parties must make every attempt to resolve any dispute
21 regarding confidential designations without court involvement. Any motion regarding confidential
22 designations or for a protective order must include a certification, in the motion or in a declaration
23 or affidavit, that the movant has engaged in a good faith meet and confer conference with other
24 affected parties in an effort to resolve the dispute without court action. The certification must list
25 the date, manner, and participants to the conference. A good faith effort to confer requires a face-
26 to-face meeting or a telephone conference.

1 6.3 Judicial Intervention. If the parties cannot resolve a challenge without court
2 intervention, the challenging party may file and serve a motion to withdraw confidentiality under
3 Local Civil Rule 7 (and in compliance with Local Civil Rule 5(g), if applicable). The burden of
4 persuasion in any such motion shall be on the designating party. Frivolous challenges, and those
5 made for an improper purpose (*e.g.*, to harass or impose unnecessary expenses and burdens on
6 other parties) may expose the challenging party to sanctions. All parties shall continue to maintain
7 the material in question as confidential until the court rules on the challenge.

8 7. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN OTHER
9 LITIGATION

10 If a party is served with a subpoena or a court order issued in other litigation that compels
11 disclosure of any information or items designated in this action as “CONFIDENTIAL,” that party
12 must:

13 (a) promptly notify the designating party in writing and include a copy of the
14 subpoena or court order;

15 (b) promptly notify in writing the party who caused the subpoena or order to
16 issue in the other litigation that some or all of the material covered by the subpoena or order is
17 subject to this agreement. Such notification shall include a copy of this agreement; and

18 (c) cooperate with respect to all reasonable procedures sought to be pursued by
19 the designating party whose confidential material may be affected.

20 8. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

21 If a receiving party learns that, by inadvertence or otherwise, it has disclosed confidential
22 material to any person or in any circumstance not authorized under this agreement, the receiving
23 party must immediately (a) notify in writing the designating party of the unauthorized disclosures,
24 (b) use its best efforts to retrieve all unauthorized copies of the protected material, (c) inform the
25 person or persons to whom unauthorized disclosures were made of all the terms of this agreement,
26

1 and (d) request that such person or persons execute the “Acknowledgment and Agreement to Be
2 Bound” that is attached hereto as Exhibit A.

3 9. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE PROTECTED
4 MATERIAL

5 When a producing party gives notice to receiving parties that certain inadvertently
6 produced material is subject to a claim of privilege or other protection, the obligations of the
7 receiving parties are those set forth in Federal Rule of Civil Procedure 26(b)(5)(B). This provision
8 is not intended to modify whatever procedure may be established in an e-discovery order or
9 agreement that provides for production without prior privilege review. The parties agree to the
10 entry of a non-waiver order under Fed. R. Evid. 502(d) as set forth herein.

11 10. NON TERMINATION AND RETURN OF DOCUMENTS

12 Within ninety (90) days after dismissal or entry of final judgment not subject to further
13 appeal and subject to the Federal Records Act, 44 U.S.C. § 3101 et seq., and other legal obligations,
14 the parties shall take reasonable steps to ensure that all protected material is destroyed or returned
15 to the producing party. Copies of protected material that are stored on electronic media that is not
16 reasonably accessible, such as disaster recovery backup media, need not be returned or destroyed
17 so long as they are not made accessible (e.g., disaster recovery backups are not restored); if such
18 data are made accessible, the receiving party must take reasonable steps to return or destroy the
19 restored protected material or documents as provided by this subparagraph.

20 Notwithstanding this provision, counsel are entitled to retain one archival copy of all
21 documents filed with the court, trial, deposition, and hearing transcripts, correspondence,
22 deposition and trial exhibits, expert reports, attorney work product, and consultant and expert work
23 product, even if such materials contain confidential material.

24 The confidentiality obligations imposed by this agreement shall remain in effect until a
25 designating party agrees otherwise in writing or a court orders otherwise.

11. MISCELLANEOUS

11.1 Effect of this Protective Order. The production of documents by a producing party pursuant to this Protective Order constitutes a court-ordered disclosure within the meaning of 40 C.F.R. § 2.209(d); the Privacy Act, 5 U.S.C. § 552a(b)(11); the Health Insurance Portability and Affordability Act of 1996 (HIPAA) implementing regulations, 45 C.F.R. § 164.512(a), (c)(1)(i); and the Trade Secrets Act, 18 U.S.C. § 1905.

11.2 Nothing in this Protective Order may be construed or presented as a final judicial determination that any information is entitled to protection under Rule 26(c) of the Federal Rules of Civil Procedure or otherwise until such time as the Court may rule on a specific document or issue.

Pursuant to Fed. R. Evid. 502(d), the production of any documents in this proceeding shall not, for the purposes of this proceeding or any other federal or state proceeding, constitute a waiver by the producing party of any privilege applicable to those documents, including the attorney-client privilege, attorney work-product protection, or any other privilege or protection recognized by law.

It is so ORDERED this 12th day of May 2021.

A handwritten signature in black ink, reading "John C. Coughenour", is written over a horizontal line.

John C. Coughenour
UNITED STATES DISTRICT JUDGE

1 EXHIBIT A

2 ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND

3 I, _____ [print or type full name], of
4 _____ [print or type full address], declare under penalty of
5 perjury that I have read in its entirety and understand the Stipulated Protective Order that was
6 issued by the United States District Court for the Western District of Washington on
7 _____ [date] in the case of **United States of America et al. v. Electron Hydro, LLC, 2:20-**
8 **CV-1746-JCC**. I agree to comply with and to be bound by all the terms of this Stipulated
9 Protective Order and I understand and acknowledge that failure to so comply could expose me to
10 sanctions and punishment in the nature of contempt. I solemnly promise that I will not disclose in
11 any manner any information or item that is subject to this Stipulated Protective Order to any person
12 or entity except in strict compliance with the provisions of this Order.

13 I further agree to submit to the jurisdiction of the United States District Court for the
14 Western District of Washington for the purpose of enforcing the terms of this Stipulated Protective
15 Order, even if such enforcement proceedings occur after termination of this action.

16 Date: _____

17 City and State where sworn and signed: _____

18 Printed name: _____

19 Signature: _____